



# Professional Athletics

## A plan for a Self-Supporting Program

The following report provides recommendations and steps needed for the Professional Athletics program to cease dependence on the State General Fund and become a self-supporting program.

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# Executive Summary

During the 2009 legislative session, Senate Bill 6126 was passed by the legislature and approved by Governor Christine Gregoire. This bill became effective July 26, 2009, and requires the professional boxing, wrestling, and martial arts program to establish and set fees at a sufficient level to cover the costs of administering the program.

In July, 2009, all industry stakeholders were invited to a series of seven meetings held in Tacoma between August 13 and October 1. Between five and fifteen stakeholders attended each four-hour meeting that was facilitated by impartial facilitators contracted by the Department of Licensing (DOL). These meetings resulted in a list of recommendations that the industry and DOL staff proposed for further research and study. Some recommendations can be enacted immediately, while others will require RCW changes during the 2011 legislative session.

## **The recommendations were developed using the following key considerations:**

- Ensure the safety and welfare of participants.
- Industry supports the continued licensing and regulation of the sports and wants to develop a sustainable long-term program. This is a critical time, with the rise in MMA popularity.
- Minimize the financial impact on promoters in order to encourage more events.
- While Individual license fees are some of the lowest in the country, raising license fees alone will not cover the costs of the program.
- This is an opportunity to improve processes and remove barriers in the current system in order to increase the number and size of events. This includes revisions to out-of-date and unclear rules and laws.
- Amateur organizations are self-regulating and more oversight could harm the profession.
- Self-supporting programs in other states have more events, have Pay-Per-View revenue, and employ between one and five FTEs.

**The following recommendations will be researched and refined:**

- Establish an industry Ad Hoc Committee to work with DOL. This group will assist in the further research and refinement of recommendations to create a self-supporting program.
- Increase revenue through Pro-Am fights, Pay-Per-View fees, attracting larger promotions, raising individual license fees, and restructuring event fees.
- Improve DOL efficiencies and cost recovery through reducing the number of events attended by DOL staff, revising the process to collect event fees, and exploring options for recovery of costs of items such as national/federal identification cards and Fight Fax records.

**The following are the key steps required to move these recommendations forward:**

- DOL establish an industry Ad Hoc Committee.
- DOL and Ad Hoc Committee create plans to implement short-term recommendations.
- DOL and Ad Hoc Committee determine the cost-benefit of each recommendation.
- DOL and Ad Hoc Committee prepare a final self-supporting plan to include mid and long-term recommendations, along with RCW revisions for the 2011 session.

# Background & Purpose

Unlike other professional license programs established to protect the general public, Washington's Law Relating to Professional Boxing, Martial Arts, and Wrestling (RCW 67.08) was initiated to ensure the safety and welfare of the participants at events. This act grants to the Department of Licensing (DOL) the power to direct, supervise and control all boxing, martial arts, and wrestling events within the state. It also provides authority to issue, deny, revoke or suspend a license. In 1933, the Boxing Commission was statutorily authorized after the death of a boxer. DOL was assigned control over these sporting events in 1994 when the Boxing Commission was de-regulated by Governor Lowry. The department operated with former commissioners, acting as Inspectors, along with one department employee. In 1996, DOL assumed full regulatory authority for the program with no assistance from the former Commission. Professional Athletics was a General Fund program and was not required to collect offsetting funds for day-to-day operations.

Washington State was one of the first states to require training and certification for boxing and martial arts officials as a condition of licensure. This practice has spread to most other recognized athletic regulatory bodies through the Association of Boxing Commissions. In addition to state laws, there are Federal Laws governing professional boxing to which the department must also adhere.

During the 2009 legislative session, Senate Bill 6126 was passed by the legislature and approved by Governor Christine Gregoire. This bill became effective July 26, 2009, and changes the word "tax" to "fee." It also requires the professional athletics program to establish and set fees at a sufficient level to cover the costs of administering the program. The fees collected will go into the Business and Professions Account within the Department of Licensing. At the end of this fiscal year, the program will no longer receive General Fund support. Due to short turnaround times in responding to SB 6126, the Department was unable to collect and analyze feedback from industry stakeholders before providing suggested steps for a self-supporting program. All of the steps provided in the fiscal note related to raising fees for both events and individual licensees. Many of the proposed fee increases raised concerns that revenue could actually decrease. For example, if event fees were raised to the levels suggested in the fiscal note, promoters may reduce the number of events they hold or move events to locations not impacted by Washington State fees.

The following report outlines recommendations for creating a self-supporting program, along with the process used to develop the recommendations.

# Approach

In July 2009, all industry stakeholders were invited to a series of seven meetings held in Tacoma between August 13 and October 1, 2009. Between five and fifteen stakeholders attended each four-hour meeting that was facilitated by impartial facilitators contracted by DOL. These meetings had the following outcomes:

- Meeting 1: Situation background from DOL, including research from other states. Initial brainstorming of possible solutions was conducted.
- Meeting 2: DOL presented research on expenditures and revenues, staffing levels, and staff responsibilities. Additional solutions were solicited and all solutions were prioritized for discussion. Discussion began on defining the “minimum” program requirements.
- Meeting 3: DOL presented research showing how close each sport is to the goal of becoming self-supporting. The discussion on the functional analysis of "minimum" program requirements was completed and further recommendations were added.
- Meeting 4: DOL research on Pay-Per-View and Pro-Am events was presented. Initial recommendations were validated.
- Meeting 5: DOL presented further research from other self-supporting states and the major recommendations were validated and categorized into three areas: 1) Increasing revenue, 2) Improving efficiencies and cost recovery in DOL, and 3) Establishing an industry Ad Hoc Committee.
- Meeting 6: Reviewed and revised the initial draft report and determined the presentation approach for the October 1, 2009 final meeting.
- Meeting 7: Presented the report to representatives of DOL.

# Considerations

The following lists the principle considerations that led to the recommendations in this report:

- Ensure the safety and welfare of participants.
- This is an opportunity to improve processes and remove barriers in the current system in order to increase the number and size of events.
- Minimize the financial impact on promoters in order to encourage more events.
- Individual license fees are some of the lowest in the country. However, raising license fees alone will not cover the costs of the program.
- RCWs have not been updated in more than 10 years, are unclear in places, and do not provide the industry with the needed flexibility to grow and stay competitive with other states.
- Amateur organizations are self-regulating and more oversight could harm the profession.
- Self-supporting programs in other states have the following characteristics:
  - ✓ Most have more events than Washington
  - ✓ Many have Pay-Per-View revenue
  - ✓ Most have between one and five FTEs
- Industry supports the continued licensing and regulation of the sports and wants to develop a sustainable long-term program.
- This is a critical time in the industry, with the rise in popularity of MMA.

# Recommendations

Recommendation	Rationale & Assumptions	Action Plan	Duration	Impact
<b>1. Establish an industry Ad Hoc Committee to work with DOL.</b>	<b>DOL needs industry input into the implementation of the self-supporting plan and ongoing program development. The Ad Hoc Committee will provide technical expertise to improve rules/regulations, scope of practice, and business activities, and help DOL administer the program efficiently and effectively.</b>	<p>During November 2009, DOL will hold the first preliminary meeting (teleconference), with the goal to begin formal meetings in January, 2010.</p> <p>By early 2010, the Ad Hoc Committee will establish its roles and responsibilities.</p> <p>Implement short-term recommendations with DOL and prepare RCW changes for the 2011 legislative session.</p>	Short-term (under 6 months)	Ensures DOL, over the long term, has a consistent and timely process to solicit and respond to industry concerns and suggestions.
<b>2. Increase revenue through:</b> <ul style="list-style-type: none"> <li>Pro-Am fights</li> </ul>	<b>Pro-Am fights will attract more events and produce more revenue.</b>	<p>By the end of the first quarter of 2010, determine potential revenue and if RCW changes are needed.</p> <p>By [date TBD, depending if RCW changes needed], DOL will work with the Ad Hoc Committee to address concerns about a possible shortage of physicians to cover increased events.</p>	Mid-term (6-12 months)	Revenue of \$xxx TBD



Recommendation	Rationale & Assumptions	Action Plan	Duration	Impact
<ul style="list-style-type: none"> <li>Pay-Per-View fee</li> </ul>	<p>It appears that Pay-Per-View revenue is one reason many states are self-supporting and the workload to administer the effort is minimal. This could cover a significant percentage of program costs.</p>	<p>By [date TBD, depending if RCW changes needed ], DOL will work with the Ad Hoc Committee to develop a process to ensure that professional fights are last on the card or can be co-mingled with amateur fights.</p>		
<ul style="list-style-type: none"> <li>Attract bigger promotions to the state</li> </ul>	<p>The gate fee on just one large promotion per year could cover a significant percentage of program costs.</p>	<p>By [date TBD, depending on RCW changes needed ], DOL will work with the Ad Hoc Committee to determine approach to implement this recommendation, including revenue estimate and changes needed in RCW or WAC.</p>	<p>Long-term (one year or more)</p>	<p>Revenue of \$xxx TBD</p>
<ul style="list-style-type: none"> <li>Raise fees for individual licensees</li> </ul>	<p>WA has the some of the lowest fees in the country. However, increasing these fees alone will not cover the cost of administering the program.</p>	<p>DOL will continue to work with the Ad Hoc Committee to identify and address the barriers to actively engaging and attracting larger events.</p>	<p>Current and ongoing</p>	<p>Revenue of \$xxx TBD</p>
	<p>WA has the some of the lowest fees in the country. However, increasing these fees alone will not cover the cost of administering the program.</p>	<p>By end of the first quarter of 2010, DOL will work with the Ad Hoc Committee to determine the fee increases and decide if officials' fees will be raised. DOL will administer the rules revision process.</p>	<p>Short-term</p>	<p>Revenue of \$xxx TBD</p>

Recommendation	Rationale & Assumptions	Action Plan	Duration	Impact
<ul style="list-style-type: none"> <li>Restructuring event fees</li> </ul>	The state's current event fee of 5% of the gate are about average for the country and increases on gate percentage could be a deterrent for promoters. However, additional fee structures, such as a "support fee" per ticket, paid by the attendees, may be feasible.	By [date TBD depending on RCW changes needed], DOL and Ad Hoc Committee will determine the nature and feasibility of event fee restructuring and implement required changes.	Mid to long-term depending on RCW changes needed	Revenue of \$xxx TBD
<b>3. Improve DOL efficiencies through:</b> <ul style="list-style-type: none"> <li>Reducing the number of DOL staff at events through a revision of inspector responsibilities</li> <li>DOL revise process for collecting event fees, eliminating the need to collect at the event</li> <li>Other cost recovery options</li> </ul>	<p>Reducing the number of DOL staff at events can reduce DOL costs related to travel and FTEs. If inspectors become official representatives of the state, the need for DOL staffing is reduced. This may be especially critical if the number of events increases as proposed in Recommendation #2.</p> <p>Current statute requires the fee to be collected by a department representative at the end of the event.</p> <p>DOL currently performs several activities for which costs are never recovered. Examples include issuing federal/national identification cards and requesting Fight Fax records.</p>	<p>By [date TBD], DOL will work with the Ad Hoc Committee to adjust inspector responsibilities to allow no more than one inspector and one DOL staff on site at each event.</p> <p>By end of third quarter 2011, DOL will prepare legislation to allow a change in the fee collection process.</p> <p>By [date TBD], DOL and Ad Hoc Committee will review and determine cost recovery options, along with preparing any needed RCW changes.</p>	<p>Mid-term</p> <p>Mid to long-term</p> <p>Mid to long-term</p>	<p>Cost savings of \$xxx TBD</p> <p>Cost savings of \$xxx TBD</p> <p>Cost savings of \$xxx TBD</p>
<b>Total</b>				\$xxx TBD

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## Appendices

- Self-Supporting Plan Worksheet and all brainstormed ideas
- Program functional analysis
- Data from other states
  - Survey of States' Programs
  - Survey of Gate Taxes and Televised Events
  - Survey of Self-supporting Programs
- SB #6126

## Self-Supporting Plan Worksheet

The following lists all of the brainstormed self-supporting ideas and categorizes them by the action needed to resolve, if any. Items in the “Parking Lot” are those that require discussion, but may not lead directly to a self-supporting program. **Note:** Some items in the “Consensus of Workgroup” column have been revised and combined with other recommendations, so they may not appear in the final report verbatim as written here.

### All Brainstormed Ideas

Consensus of Workgroup	Needs Discussion	Eliminate	Parking Lot
Increase individual license fees for fighters, promoters, officials, physicians. Perhaps to \$50 for fighters? (2).	Reduce event fee to increase the number of events held in our State. Double taxes on ticket sales (some promoters are paying local city taxes on top of the 5% event fee paid to the department).	License amateurs (2) License amateurs provide a service (e.g. life/disability insurance).	If the State is too tough on promoters-promoters will hold events elsewhere (2) – put in issues summary.
Pay-Per-View fee (3). Note: Closed circuit does pay fee. Charge fee on revenue from televised events (1) Have promoter and TV network notify DOL.	Graduated Fees (1). Consider not sanctioning events that won't cover costs. Make events self-supporting-look at costs per event & improve.	Define/refine MMA amateur events.	Need new physical form for participants.
Charge for processing National/federal ID.	Sub contract with other states.	Market the license.	Do amateur events need to be non-profit?
Reduce expenditures by not attending all events.	Drug testing -- Fines for failing drug testing (currently only test for title bouts).	AAMMA – let them do the amateur part.	Professional evaluation – may not be adequate.
DOL not collect fees at event – could be sent in or another organization collects.	People with a judge , inspector, or referee license, act on one piece of paperwork.	Charge an application fee to the Amateur Sanctioning Organizations that are not declared in statute.	Rotation of officials should be based on experience.
Streamline or change processes to reduce or eliminate DOL workload.	Combine Commission model w/state involvement.	Determine what can be outsourced or done by other	Licensing fighter 72 hours before event can be a

Consensus of Workgroup	Needs Discussion	Eliminate	Parking Lot
	Create specialized license plate program.	entities through contracts or agreements.	barrier.
Increase number of events: <ul style="list-style-type: none"> <li>Allow Pro-Am fights so that there will be more shows, generating more money. Put amateurs first and pros last.</li> <li>Mega promotions – big fights gets move revenue into the state – these fights could support the program.</li> </ul>	More online services: Do all license regulation online. Online data base – provide access to fighter names. Provide on line renewal system & other information (DOL has a new renew online system that athletics is not part of).	No department at wrestling events. Use random inspections.	Work with promoters for win-win.
Restructure Event fees.	License everyone in a calendar year during the same month, for ex., Jan-Jan or license every two years.	De-regulation of the professions (8).	Limit number of officials (4).
Charge for pulling fight records for bout approval.	How does WA attract big promotions? Better marketing-what can state do to attract events-like tourism.	Improve oversight of Closed Circuit televised events to ensure payment of five percent fee (on receipts).	Immunity for officials/doctors.
Contract with inspectors to oversee events and complete other DOL activities. Use inspectors at weigh-ins. Inspectors do more work. Getting paid the most of any official.	State serves as licensing agency only and gives more responsibility to the Promoter.		Judges score each round and turn in their cards at the end of the bout. We collect them every round. We may consider changing the language in this regulation so we can do it either way.
	Charge a fee for any MMA event with admission fees in excess of \$20 per ticket.		The inspector fee does not include a percentage of the complimentary tickets.

## DRAFT Recommendations

(First round of discussion. Several items were removed from the list and are so noted in the following table)

ID	Recommendation	Rationale	Actions needed	Responsible	Date	Projected revenue/savings
1	Increase number of events through: <ul style="list-style-type: none"> <li>Pro-Am fights</li> <li>Mega promotions</li> </ul>	Pro-Am fights will increase the number of events.  Mega promotions bring in more revenue.	<ul style="list-style-type: none"> <li>Determine process for Pro-Am events that ensures the professionals fight last on the program.</li> <li>Need to address logistics of holding events w/amateurs first and pro last.</li> <li>Increased fights may not bring more money so they need to make sure they pay their basic costs.</li> <li>Determine if any WACs need revision.</li> <li>Estimate new revenue</li> <li>Analyze the feasibility of mega promotions.</li> <li>Need to define what a Pro-Am event actually is.</li> <li>Concerns expressed about having sufficient staffing such as doctors and other officials available if there is a dramatic increase in events.</li> <li>Review of sanctioning bodies for</li> </ul>	DOL will review logistical issues to develop strategies for holding these events.  Possible statute and rule change to allow 1 physician and/or Physician Asst. at events.  Ad Hoc Committee to be established to assist in RWC/WAC reviews and scope of practice updates.	Oct 2009-2010	Estimates to be developed.

ID	Recommendation	Rationale	Actions needed	Responsible	Date	Projected revenue/savings
			amateurs such as AAMMA which can assist in sanctioning Pro-Am events.			
2	Increase license fees for individual licensees. <i>(add specific increases later)</i>	WA has the some of the lowest fees in the country and these fees do not cover the cost of administering the program.	<ul style="list-style-type: none"> <li>Determine fees based on cost and benchmarking with other states.</li> <li>Most states charge up to \$50 for license.</li> <li>Concerns expressed regarding increasing event officials license fees with no commensurate increase in the fees they are paid to officiate at the event.</li> </ul>	<p>DOL complete fee review &amp; Ad Hoc Committee review &amp; make recommendations.</p> <p>DOL &amp; Ad Hoc Committee review options for changing pay for officials such as paying a % of the gate.</p>	Oct 2009-2010	Possible doubling of current individual license fees would bring in approximately \$7000-\$10000 annually.
3	Establish a Pay-Per-View fee	WA is missing income from this potentially lucrative market. Others states collect fees from television and promoters.	<ul style="list-style-type: none"> <li>Determine changes needed in statute (RCW 67.08.055).</li> <li>Determine feasibility.</li> <li>Estimate number of events.</li> <li>Agreement that this is the #1 recommendation to focus on as it could bring in stable and sustainable revenue. 3% tax for pay for view or amount to be determined.</li> <li>CAP for in state and out of state</li> </ul>	DOL & Ad Hoc Committee determine RCW/WAC changes necessary and proceed to develop implementation plan.	Oct 2009-2010	DOL initial research identifies this revenue source as possibly being the primary stable and sustain-able source of



ID	Recommendation	Rationale	Actions needed	Responsible	Date	Projected revenue/savings
			Pay-Per-View fee (fee or surcharge) paid by buyers. <ul style="list-style-type: none"> <li>Do not want to discourage networks from broadcasting.</li> <li>Does not include internet /web broadcasts.</li> </ul>			revenue for other state's self-supporting programs.
4	Improve oversight of Closed Circuit televised events to ensure payment of five percent fee (on receipts) <b>GROUP DECIDED TO ELIMINATE AS A RECOMMENDATION.</b>	WA may be losing revenue to these events due to lack of notice to DOL.	<ul style="list-style-type: none"> <li>Research opportunity to work with liquor board.</li> <li>Research opportunity to revise statute to require notice from TV networks.</li> <li>Not recommended to move forward.</li> </ul>			
5	Charge fees to recover costs associated with processing national/federal IDs <i>(could add the charging of fee for fight records if it reaches consensus)</i>	WA currently does not recover this expense.	<ul style="list-style-type: none"> <li>Determine potential revenue/costs saved.</li> <li>Recommended that the individual license fee be raised sufficiently enough (\$50) to address the workload charge that needs to be recovered to process ID.</li> <li>This is a cost recovery issues and the boxing license is renewed every 4 years and MMA is renewed is 5 yrs.</li> </ul>	DOL & Ad Hoc Committee discuss & make necessary RCW and rule changes to allow fee collections & implement program.	Oct 2009-2010	
6	Reduce expenditures in DOL through	The promoter hires inspectors that are	<ul style="list-style-type: none"> <li>Determine expenses saved.</li> <li>Identify the activities.</li> </ul>	DOL will review internally &	Oct 2009-	Unknown at this time

ID	Recommendation	Rationale	Actions needed	Responsible	Date	Projected revenue/savings
	efficiencies, such as: <ul style="list-style-type: none"> <li>Reducing the number of events attended by staff</li> <li>Outsourcing or contracting for services</li> <li>DOL revise process for collecting fees, eliminating the need to collect at the event</li> </ul>	authorized by the Department to perform oversight. DOL could perform random compliance inspections, rather than attend every event. The number of events can fluctuate radically from year to year, making staffing decisions difficult. Outsourcing or contracting some activities may be more cost effective. Other states allow the promoter to prepare and submit the report and fee within an identified period after the event. This reduces the need for DOL to attend events.	<ul style="list-style-type: none"> <li>Prepare cost-benefit plan.</li> <li>Determine a process to collect the fees.</li> <li>Determine if any rules need modification.</li> <li>DOL has already reduced staff attending events.</li> <li>Contract w/inspectors to do more of the duties and responsibilities at the event.</li> </ul>	work w/Ad Hoc Committee to identify activities and processes that can help gain efficiencies and other improvements that can reduce program costs or identify areas needed to address cost recovery for service delivered.	2010	
7	Charge an application fee to the Amateur Sanctioning Organizations that are not declared in statute	DOL performs substantial work to support these organizations and does not recover the cost.	<ul style="list-style-type: none"> <li>Determine a reasonable fee.</li> <li>Determine potential revenue.</li> <li>This is a cost recovery issue for the program –approximately 3 plus hours to complete a certification &amp; about 5 inquiries per year.</li> </ul>	DOL & Ad Hoc Committee need to continue review of this and other workload items that currently	Oct 2009-2010	Minimal increase

ID	Recommendation	Rationale	Actions needed	Responsible	Date	Projected revenue/savings
	<b>Eliminated this as a recommendation 9/17/09</b>		<ul style="list-style-type: none"> <li>Assumption that charging a fee for this workload item will lead to the regulation of the amateur part of the profession.</li> </ul>	have no cost recovery fee for service.		
8	Establish an Ad Hoc Committee that will work with DOL issues such as RCW/rules review & development, review/updating of scope and business practices and other activities.	Need for an Ad Hoc Committee to be established to implement self-supporting plan, on-going program development, and implementation with the assumption that Ad Hoc Committee will provide technical expertise to improve rules/regulations, scope of practice and business activities and help DOL administer program efficiently and effectively.	<ul style="list-style-type: none"> <li>Establish Ad Hoc Committee (do not need legislation or rule change).</li> <li>Develop roles, responsibilities and functions of Ad Hoc Committee.</li> <li>Ad Hoc Committee can provide assistance for license and disciplinary actions.</li> <li>Ad Hoc Committee &amp; DOL look at giving inspectors a “bigger role” which may reduce DOL workload.</li> <li>Ad Hoc Committee &amp; DOL will implement Self-Sufficiency Plan and identify additional activities.</li> </ul>	Establish Ad Hoc Committee – DOL and current Work Group.	Oct 2009 & on going	Continuing process improvements will result from combined efforts of Ad Hoc Committee and DOL

## Discussion

The following items require further discussion

ID	Needs Discussion	Resolution (yes, no, ?)	Actions Needed	Responsible	Date	Projected revenue/savings
1	Restructuring of event fee to increase revenue or other options that help increase the number of events held in our state. Restructured event fee could include a “per ticket” charge which some other states utilize for revenue generation for Program. There’s a concern over double taxes on ticket sales (some promoters are paying local city taxes on top of the 5% event fee paid to the department).	Yes – this item will be moved to Ad Hoc Committee for further discussion.	DOL and Ad Hoc Committee may review this idea at a future time.	DOL/Ad Hoc Committee		
2	Graduated Fees (1) See item #1	No action taken.	Future discussion regarding restructuring fees.	DOL/Ad Hoc Committee		
3	Consider not sanctioning events that won’t cover costs. Make events self-supporting-look at costs per event & improve.	No decision to move this forward as a recommendation at this time.  Suggestions for future discussion with Ad Hoc Committee included charging a set fee for small venues because it takes the same amount of staff work	DOL and Ad Hoc Committee may review this suggestion for consideration in the future.	DOL and Ad Hoc Committee.		

ID	Needs Discussion	Resolution (yes, no, ?)	Actions Needed	Responsible	Date	Projected revenue/savings
		to put on a small event as a large event. Could add event fee on top of the Gate % collected which is done in some other states.				
4	Drug testing -- Fines for failing drug testing (currently only test for title bouts)	<p>Not moved to recommendations.</p> <p>For the integrity of the sport, this is something that needs further discussion.</p> <p>Suggested that DOL and Ad Hoc Committee take a look at the entire issue of drug testing in the future and address appropriate health and safety issues, costs and compliance impacts.</p> <p>Other comments: Steroid testing is very expensive and drug testing requires a thorough "chain of evidence" process.</p> <p>Large promoters may do testing on their own.</p>	DOL and Ad Hoc Committee to review in the future.	DOL and Ad Hoc Committee.		

ID	Needs Discussion	Resolution (yes, no, ?)	Actions Needed	Responsible	Date	Projected revenue/savings
		Contracting w/ a lab to do the testing could be an option.				
5	Charge for pulling Fightfax records and charge for national/federal ID cards.	Yes.	DOL/Ad Hoc Committee discussion.	DOL and Ad Hoc Committee		
6	De-regulation of the professions(8)	Not moved to recommendations  Discussion moved from deregulation to actions that could improve efficiencies w/in DOL and review of all laws and rules to identify changes and opportunities to improve processes.	Review RCW and all rules.  Review inspectors' duties.  Discuss what roles and responsibilities "sanctioning bodies" could provide that may reduce DOL workload.	DOL and Ad Hoc Committee		
7	Sub contract with other states	No.	To be discussed at a later time with DOL/Ad Hoc Committee	.		
8	Contract with inspectors to oversee events and complete other DOL activities.	Yes, include in recommendations	Need to analyze whether the statute requires	DOL and Ad Hoc Committee	Oct 2009 and on	

ID	Needs Discussion	Resolution (yes, no, ?)	Actions Needed	Responsible	Date	Projected revenue/savings
	Use inspectors at weigh-ins. Inspectors do more work. Getting paid the most of any official. <i>(Include this with recommendation #6??).</i>	<p>Rationale: Depending on the size of the venue and other criteria to be developed by Ad Hoc Committee inspectors responsibilities can be modified so that a minimum of state personnel would be required to attend event.</p> <p>Depending on the experience of the inspector one staff person from the state and one inspector can handle event.</p>	<p>a DOL staff to be at every event.</p> <p>Look at option of contracting state staff vs. having permanent FTE's.</p>		going	
9	People with judge, inspector, and referee license, act on one piece of paperwork.	No action taken.	To be discussed at a later time with DOL/Ad Hoc Committee.			
10	More online services: Do all licensing online. Online data base – provide access to fighter names. Provide online renewal system & other information (DOL has a new renew online	Yes, needs to be included in the recommendation to improve processes and make them as efficient and effective as possible.	DOL will analyze as part of efficiencies and opportunities to improve processes.	DOL w/input from Ad Hoc Committee	Oct 2009 and on going	unknown

ID	Needs Discussion	Resolution (yes, no, ?)	Actions Needed	Responsible	Date	Projected revenue/savings
	system that athletics is not part of) <i>(Include this with recommendation #6??).</i>					
11	License everyone in a calendar year during the same month, for example, Jan-Jan or license every two years.	<p>No action was taken to move this recommendation forward.</p> <p>Discussion included comments that this would make it easier on the licensees and officials but workload peaks would create problems for DOL and would not save money.</p> <p>Licensees currently tend to only renew when they are going to fight.</p>	None			
12	Combine Commission Model w/state involvement.	Yes, this recommendation was modified to create an Ad Hoc Committee (see item #8 in Self-Sufficiency Consensus recommendations.	Initiate development of Ad Hoc Committee roles, functions and responsibilities.	Current Ad Hoc working group and DOL.	Oct 2009 and on going	
13	How does WA attract larger promotions? Better marketing-what can the State do to attract events-like tourism.	<p>Yes, this suggestion needs to move forward as a recommendation.</p> <p>Discussion identified opportunities to address</p>	Review statute and current rules & processes to identify improvements or changes that	DOL and Ad Hoc Committee.	Oct 2009 and ongoing.	



ID	Needs Discussion	Resolution (yes, no, ?)	Actions Needed	Responsible	Date	Projected revenue/savings
		<p>system/process changes that could help to attract larger events. Issues included:</p> <ul style="list-style-type: none"> <li>• not be able to license fighters in one day.</li> <li>• Details in regulations that don't effect health and safety but take time which cause promoters to lose money.</li> <li>• Adjust inspector duties.</li> <li>• Review/revise law to support larger events.</li> </ul>	would help to attract big events.			
14	Create a special plate for combat sports?	This idea was raised at the end of the sixth meeting and has not been discussed				

ID	Needs Discussion	Resolution (yes, no, ?)	Actions Needed	Responsible	Date	Projected revenue/savings
15	<p>Written submission: State to serve as licensing agency only and give more responsibility to the Promoter</p> <p>1. The State would oversee the collection of the medical tests and applications of the participants. All the applications would still be submitted in advance.</p> <p>2. The State would list all officials including doctors and their contact information and the Promoter would independently contact the officials and hire them for the event. They would have each officials execute a "Officials Contract" and the Promoter may submit the list of officials to the State. The State would have no authority to have the Promoter use any specific officials so long as they are licensed and certified officials.</p> <p>The Promoter would also select the Event Supervisor and he would oversee the weigh in but the weigh in would be run by the Promoter. The supervisor would collect pictures and record any fees to be deducted from fighters or against the promoters account for licenses and then report them to the State.</p>	Not discussed				

ID	Needs Discussion	Resolution (yes, no, ?)	Actions Needed	Responsible	Date	Projected revenue/savings
	<p>3. The State would not approve or turn down fights. The promoter would be solely responsible for matching their fights. This would take the liability away from the State.</p> <p>4. The promoter would still turn in all insurance to the State.</p> <p>5. Essentially, the State would simply serve as a licensing agency only.</p> <p>6. The state would still collect the taxes or service fees for the shows but not have anyone attend the event.</p> <p>7. Applications that have the pictures taken at the weigh in would be collected by the Supervisor or Promoter and then turned into the State after the show.</p> <p>8. The Promoter would submit the results of the fight to the State and fight fax and the Supervisor would verify results by signing off on a results document at the show.</p> <p>9. Supervisor would report any suspensions.</p>					

ID	Needs Discussion	Resolution (yes, no, ?)	Actions Needed	Responsible	Date	Projected revenue/savings
16	Written submission: Charge a fee for any MMA event with admission fees in excess of \$20 per ticket.	Not discussed				

ID	Parking Lot
1	If the State is too tough on promoters-promoters will hold events elsewhere (2) – put in issues summary.
2	Need new physical form for participants.
3	Do amateur events need to be non-profit?
4	Professional evaluation – may not be adequate.
5	Rotation of officials should be based on experience.
6	Licensing fighter 72 hours before event can be a barrier.
7	Work with promoters for win-win.
8	Limit number of officials (4).
9	Immunity for officials/doctors.
10	RCWs and WACs need to be reviewed and updated. This includes those that relate to oversight of amateurs.
11	Judges score each round and turn in their cards at the end of the bout. We collect them every round. We may consider changing the language in this regulation so we can do it either way.
12	The inspector fee does not include a percentage of the complimentary tickets.

## PROFESSIONAL ATHLETICS FUNCTIONAL ANALYSIS

**Purpose of RCW 67.08 - ensure safety and welfare of participants where an admission fee is charged by any person, club, corporation, organization, association or fraternal society. Department can adopt standards of professional conduct or practice.**

### BASIC PROGRAM AS IDENTIFIED BY WORKING GROUP\*

FUNCTION and Tasks	Basic Program	RCW- Rule	RCW/Rule/ Guideline- Policy-Change	Fee or Expense impact	Comment
<b><u>DIRECT SERVICE DELIVERY</u></b>					
<b>LICENSE</b>  (individual)  Receive application	*	67.08.101	67.08.015 (A&B) may need to be changed to allow Pro-Am events.		Many opportunities for streamlining or changing.  Current processes to reduce costs.  May be logistical problem. Ck with AAG to identify how to correct.
Review					
Approve/deny					
Issue license or notify licensee of denial  -National/federal ID issued				No fee charged for national/federal ID.	

FUNCTION and Tasks	Basic Program	RCW- Rule	RCW/Rule/ Guideline- Policy-Change	Fee or Expense impact	Comment
Collect/deposit fee			Allow a physician or PA & other medical.	Announcer \$40 Boxing 15 Inspector 40 Judge 40 Manager 40 Martial Arts 15 Matchmaker 40 Physician 40 Promoter 50 Referee 15 Second 15 Timekeeper 40 Wrestling 15	
Appeal of denial of license -review by administrator -decision by administrator -issue decision					
<b>RENEWAL OF LICENSE</b> Prepare and distribute renewal notices	*				DOL has online renewal system but Program is not part of that system & would require additional costs to include Program.
Receive document and process renewal and fees					

FUNCTION and Tasks	Basic Program	RCW- Rule	RCW/Rule/ Guideline- Policy-Change	Fee or Expense impact	Comment
Issue license & update data base					
<b>LICENSE (promoter/ event)</b>  Request for application  Approved for year then individual events approved  Based on officials and physicians able to work event	*				DOL could sanction certifying body that could oversee events.
Advance application rec'd & reviewed	*				
Surety bond received	*	67.08.030			\$10,000
Event approved and appoint officials  -officials appointed -officials notified -officials confirmed	*		<ul style="list-style-type: none"> <li>• Immunity for officials</li> <li>• Immunity for medical personnel</li> <li>• Add life insurance/</li> <li>• Accidental death &amp; disability</li> </ul>		
Issue event license or denial	*				
<b>MEDICAL INSURANCE</b>  Certificate of insurance received	*	67.08.030			\$50,000 boxing/martial arts
Matched w/event					

FUNCTION and Tasks	Basic Program	RCW- Rule	RCW/Rule/ Guideline- Policy-Change	Fee or Expense impact	Comment
Confirm event compliance					
<b>AMATEUR EVENT</b>  <b>For groups not already recognized in statute</b>  30 days prior to even request event recognition & permission to hold event  -review  -approval	*	67.08.015  2b		No fee collected for this activity.	Check on non-profit status at the time of review.  Potential for illegal activity.  Identify problems w/amateur events.  Self-regulating.  Sanction certifying body for Pro-Am events. Concern about to many interpretations, don't want amateurs regulated. Well functioning MMA organizations.
<b>EVENT</b>  Pre-Event activities and documents  <b>(DOL tasks)</b>  -approval of bouts -official pay sheet -participants pay sheets -pre/post physical report -referee pre-fight physical report -master score cards	*		Liability insurance	Fightfax charges the department a fee for pulling boxers fight records. There is no fee collected for this activity.	Opportunity for process change as DOL is only state that does this rather than the inspector.



FUNCTION and Tasks	Basic Program	RCW- Rule	RCW/Rule/ Guideline- Policy-Change	Fee or Expense impact	Comment
<ul style="list-style-type: none"> <li>-round score cards</li> <li>-weigh in sheet for participants</li> <li>-inspector report</li> <li>-event officials list</li> <li>-order of bout sheet</li> <li>-list of seconds</li> <li>-meet w/administrator for briefing</li> </ul>					
<p>Inspector Pre-event activities</p> <p><b>(Inspector tasks)</b></p> <ul style="list-style-type: none"> <li>-seconds briefing</li> <li>-pre-fight officials</li> <li>-weigh in</li> <li>-pre-fight physical</li> <li>-security personnel</li> <li>-local hospital notified</li> <li>-confirm emergency vehicle on site</li> </ul>	*	67.08.090 Physician	Statute would need to be changed to allow a PA instead of physician	\$100-500 fee for inspector paid by promoter	<p>Questions regarding workload for inspector(s) and whether one inspector can handle an event or need additional support from DOL?</p> <p>Comments: competent inspector should be able to handle an event.</p> <p>WA leanest state but still safe.</p> <p>Could use volunteers? Retirees</p> <p>DOL provides assistance with associated tasks for inspector.</p> <p>Concerns about immunity for inspector and other officials. Currently inspectors have high risk of liability.</p>

[illegible]

FUNCTION and Tasks	Basic Program	RCW- Rule	RCW/Rule/ Guideline- Policy-Change	Fee or Expense impact	Comment
Post event <b>(done by Inspectors –DOL may assist)</b> -physical completed -suspensions completed -participant purse paid -officials paid -officials paid <b>(done by DOL)</b> -event report completed -taxes collected	*	36.12.190 Boxing events inspector paid a fee by promoter which is 2% of the net gate proceeds	Option for RCW change		May require additional inspectors to reduce or eliminate need for DOL staff to assist.  Opportunity for streamline process. Report could be completed by inspector and promoter and mailed to DOL along with fees collected w/in a certain time period.
Conclude/close event <b>DOL task</b> -official event results sent to record keepers -official event results sent to insurance	*			Inspector fees based on 2% of ticket sales min. \$100 - \$500 max plus travel expenses	May require additional inspectors to reduce or eliminate need for DOL staff to assist.

FUNCTION and Tasks	Basic Program	RCW- Rule	RCW/Rule/ Guideline- Policy-Change	Fee or Expense impact	Comment
company  -official event results placed on DOL website					
Post-briefing  -officials debriefed  -administrator briefed	*				
<b>DRUG TESTING</b>  DOL arranges random urinalysis  -if positive, investigates and possible disciplinary action				Testing and resulting disciplinary actions could involve fines.	Usually only done for title fights due to cost.  California has a \$2500 fine
<b>COMPLIANCE</b>  Complaint filed		67.08.010			
Investigated					4 current investigations
Conduct enforcement actions:  -dismissal of complaint  -disciplinary action against licensee or other administrative action				DOL administering the legal documents. Saves \$ –does not use expensive AAG's.	Currently DOL saves AAG costs by drafting charges and adjudicative documents.

FUNCTION and Tasks	Basic Program	RCW- Rule	RCW/Rule/ Guideline- Policy-Change	Fee or Expense impact	Comment
Process suspension for injury  Recommendation for boxer retirement -hearing -appeal -final decision					
<b>TRAINING, CERTIFICATION &amp; RE-CERTIFICATION</b>  Annual certification by licensee of experience, skill, & training  -remedial education due to enforcement action	*	67.08.100	Opportunity for fee to be applied for certification of training events		Stakeholders would like to make sure that officials are getting trained to meet requirements.  Criteria for approval needs revisions..  Not all training sessions are equal.  Significant amount of discussion regarding the quality of the training and certification process. Concerns about officials being certified when not adequately trained to officiate and potential impact on fight and fighters.
DOL approves certifying organizations for those not named in the statute				Possible fee	DOL should attend training to evaluate.

FUNCTION and Tasks	Basic Program	RCW- Rule	RCW/Rule/ Guideline- Policy-Change	Fee or Expense impact	Comment
<b><u>SERVICE DELIVERY SUPPORT</u></b>	*				Opportunities for streamlining and improvements
<b>PROGRAM ADMINISTRATION</b>					
Prepare reports					
Create publications & update website					
Attend, testify, observe at public meetings, work groups, etc.					
Review & respond to correspondence					
Support (typing, filing, tracking, copying, computer, calling, scheduling)					
Review & maintain program policies and practices					
Process payments, travel & expenses					
Provide arrangement or support to committee or workgroup					
Conduct copying, filing and other related tasks					

FUNCTION and Tasks	Basic Program	RCW- Rule	RCW/Rule/ Guideline- Policy-Change	Fee or Expense impact	Comment
<b>RECORDS MANAGEMENT AND PUBLIC DISCLOSURE</b>  Maintain, management & archive program records		Admin.  Procedures  Act			Significant amount of workload
Develop management forms					
Direct public –track, manage, & respond to public disclosure requests					
Archive records/documents					
<b>LEGISLATIVE COORDINATION</b> Track & monitor state legislative activities					
Conduct research, analysis on leg. Issues & bills					

## Survey of States' Programs

State	Self-supporting	FTE's	Overseer of Event	Amateur MMA	Amateur Boxing	# of Amateur Events	Amateur Event Defined	Amateur Participant Defined	Comments
Alabama									
Alaska									
American Samoa									
Arizona	No. Under the Department of Racing (horses and dogs)	1	FTE + 2 inspectors min.	Yes	No. USA Boxing does	21	Under ABC rules.	Merchandise only/	
Arkansas	Yes	1 + 1 part-time + will be hiring staff since regulation of AM MMA just passed	2-3 inspectors	Regulate MMA as of July 31, 2009. We run Amateur MMA just like pros, with a few rules	No. USA Boxing does	100 last year	Used to be not more than \$50. Now, no purse except for travel/training. Not set it yet.	see previous	license fees: \$30 for participant; \$20 for National ID; Promoter is \$100; \$5,000 for medical insurance; \$5,000 for bond.



State	Self-supporting	FTE's	Overseer of Event	Amateur MMA	Amateur Boxing	# of Amateur Events	Amateur Event Defined	Amateur Participant Defined	Comments
		July 31		modifications					
California									
Colorado	Yes.	1	12 inspectors	No. But they have about 55 per year	Yes, in conjunction with USA Boxing	About 55 per year	Participants not paid; only merchandise	Participants not paid; only merchandise	They charge 6 percent on ticket sales. License fees are \$30 for participant and seconds annually. Firmly believes amateur MMA needs regulation.
Connecticut	No. General fund	1 + 12-15 inspectors, who get per diem employees	FTE + 10-15 inspectors to each event depending on size of event	No. Not allowed	Yes, in conjunction with USA Boxing	NA		Anyone who does not receive compensation, money or reward	website is: <a href="http://cga.ct.gov">cga.ct.gov</a> #29-243-k to define amateurs

State	Self-supporting	FTE's	Overseer of Event	Amateur MMA	Amateur Boxing	# of Amateur Events	Amateur Event Defined	Amateur Participant Defined	Comments
Delaware	No		ABC runs events	No, approved organizations run the events	No, approved organizations run the events				
District of Columbia									
Florida	Yes	4 + several coordinators for paperwork, etc.	2 FTE + at least one coordinator	Will soon	Will soon			May pay up to \$50 in travel.	
Georgia	No	1 + 5 part-time Secretary of State employees; we pay them \$250 per event	FTE + the SOS part-timers	Only Pro-Ams. "Set up that way to keep felons from promoting."	No	35 Pro-Am	Participants not paid; that includes 'no cute wording to get around it.'	Not paid, period.	georgiaboxing.com No wrestling
Guam									

State	Self-supporting	FTE's	Overseer of Event	Amateur MMA	Amateur Boxing	# of Amateur Events	Amateur Event Defined	Amateur Participant Defined	Comments
Hawaii	Yes, All fee-driven. Money from 55 Bus. & Prof. go into one account and it funds their program.	2	FTEs	Not yet, but soon	No. USA Boxing does	not sure	Different rules for boxing, not for MMA yet.	No compensation. Just merchandise; Trophies, etc.	Fees: boxing is \$50 for yr; MMA is \$140 for 2 years.
Idaho	No	1 FTE (Secretary)	Secretary does licensing; 1 commissioner and 3 Deputy Commissioners go to events	Yes, as of July 1	Yes, as of July 1	not sure	No money to fighters. Cannot fight if ever been a pro or competed for purse or expenses. Can receive less than \$50 in merchandise	see previous	www.ibol.idaho.gov defines amateurs
Illinois	No. General fund	3 + 2 part-time	2 FTE and 7 inspectors	No	No. USA Boxing does	NA		Anyone not getting paid. May receive \$50 or less for travel	participants: \$100 fee for 2-years. Do not let sanctioning orgs run AM events.

State	Self-supporting	FTE's	Overseer of Event	Amateur MMA	Amateur Boxing	# of Amateur Events	Amateur Event Defined	Amateur Participant Defined	Comments
									Too many problems and they in it for themselves.
Indiana	No	3	FTE + 4 inspectors	No, will change	No, USA Boxing			<a href="http://www.in.gov/igc">www.in.gov/igc</a>	fees: \$25 per yr. \$250 to \$500 event fee, and 5% tax.
Iowa									
Kansas	No. 20 percent of revenue goes to general fund; if the 20 percent doesn't go to GF it could be self-supporting	1	FTE + 3-12 part-time inspectors	Yes. Just like pros	For USA Boxing	15	working on that	Not yet	

State	Self-supporting	FTE's	Overseer of Event	Amateur MMA	Amateur Boxing	# of Amateur Events	Amateur Event Defined	Amateur Participant Defined	Comments
Kentucky	Yes	1 + 2 part time officers called inspectors	FTE's	Yes	No, must be sanctioned through USA Boxing	95 in one year	(4) "Exhibition," means an event or engagement in which the participants show or display their skills without necessarily striving to win or involve amateurs not under the jurisdiction of the Kentucky High School Athletic Association, the National Collegiate Athletic Association, the Amateur Athletic Union, Golden Gloves, USA Boxing, USA Wrestling, or a public show to which an admission ticket is required, or other charge is made, or invitation;	(6) "Mixed martial arts" means any form of unarmed contest or exhibition in which participants compete for money, a prize, or other pecuniary gain, or for which admission or donations are collected from the audience. Mixed martial arts may include any element or combination of elements of boxing, kickboxing, wrestling, or other martial arts. Exhibitions where participants are judged on form	I am the full time board administrator of the KBWA my two part time Inspectors work no more than 90 hrs a month. One inspector is for Boxing & MMA and the other is for Wrestling. Myself and the Boxing/MMA inspector cover the MMA events (and boxing on the rare occasion we have one) and the Wrestling Inspector covers when one of us needs time off. We schedule a max of two boxing or MMA events a night. We have no limit on wrestling

State	Self-supporting	FTE's	Overseer of Event	Amateur MMA	Amateur Boxing	# of Amateur Events	Amateur Event Defined	Amateur Participant Defined	Comments
								and style and where punches and kicks are pulled shall not be included in this definition;	events because they receive random inspections.
Louisiana	Yes	0. Chairman, vice-chair and sec/treas get paid, but 7-person commission is voluntary	1 commissioners + event coordinator, 2 wrap inspectors and 2 corner-watchers.	Yes	Yes, with USA Boxing	45 MMA		\$50 travel allowance is all	louisianaboxing.org Fees: \$25 for fighters etc; \$500 for boxing promoter/yr; \$250 for MMA promoter; matchmaker \$250/yr

State	Self-supporting	FTE's	Overseer of Event	Amateur MMA	Amateur Boxing	# of Amateur Events	Amateur Event Defined	Amateur Participant Defined	Comments
Maine	MMA is prohibited; deregulated boxing recently								
Maryland									
Massachusetts									
Michigan	No	1	FTE and 5-6 contracted Inspectors	No	No				
Minnesota	No. Get \$80,000 from General Fund each year. Must be self-supporting by 2011.	1	For MMA: 2 commissioners and 4 inspectors; for Boxing; 2 commissioners and 5 inspectors	Yes. Same as pro license and fee scale.	No	12	\$50 or less	\$50 or less	Rules not in place yet; going through legal process. Website: <a href="http://mnboxingmmacommission.com">mnboxingmmacommission.com</a>
Mississippi									

State	Self-supporting	FTE's	Overseer of Event	Amateur MMA	Amateur Boxing	# of Amateur Events	Amateur Event Defined	Amateur Participant Defined	Comments
Missouri	Yes - dedicated funds	1.5	FTE's and 2 or 3 per diem inspectors	No	No				
Montana									
Nebraska	Yes since regulation of MMA	1	FTE + 7 per diem FTE's	Yes	Yes	60 minimum		Not paid anything, except mileage	Have pro/am events. Amateur bouts first, pros second
Nevada	No	5	6-9 Contracted Inspectors	Indirectly	No				
New Hampshire									
New Jersey									
New Mexico									
New York	Not sure	5	Director or Deputy Commissioner and 25 Inspect	No - not legal	No. USA Boxing does		Must not make money from the event	Must never have fought pro.	Suggests sliding scale on event fees. Commission pays for boxers medicals, MRI, blood work.



State	Self-supporting	FTE's	Overseer of Event	Amateur MMA	Amateur Boxing	# of Amateur Events	Amateur Event Defined	Amateur Participant Defined	Comments
			ors						Wrestling de-regulated.
North Carolina	Yes	2	FTEs + agents for Alcohol and Law Enforcement	Yes	No, USA Boxing	64 scheduled; Some are Pro-Am		No money or compensation; amateurs fees are \$50/yr for licenses. Have to have five am fights before going pro, plus a Nat'l ID that costs \$25.	They are making money because they raised fees, plus they get \$2 per ticket. Fees set to go up next year
North Dakota	No	2 part time employees who work for the SOS which is a small portion of their job duties - salaries come from General Fund	2 parttime employees and 3-9 Volunteer Commissioners who are paid travel	No - Unregulated	No - regulated by USA Boxing				

State	Self-supporting	FTE's	Overseer of Event	Amateur MMA	Amateur Boxing	# of Amateur Events	Amateur Event Defined	Amateur Participant Defined	Comments
Ohio	Yes	2 + 1 part-time	1 commissioner + 10 inspectors	Yes	No. USA Boxing does	142 last year after beginning to regulate in 04	3 3-min rds, 90-sec break		<a href="http://www.aco.ohio.gov">www.aco.ohio.gov</a> .
Oklahoma	Yes	2	4-6 part time Inspectors	Yes	No	3 since July 1, 2009	Means any form of competitive pugilistic contest in which the participants have never been licensed as professionals in any combative sport and blows are delivered with any part of the hands, feet, or knees and multiple combative disciplines are used including grappling. Such contests take place in a rope enclosed ring or fenced enclosed cage and are fought in time rounds.	Means a person eighteen (18) years of age or older who has never received or competed for any purse or other article either for the expenses of training therefore or for participating in any combative sport contest or professional exhibition which exceeds in monies or other things of value a sum to be determined by the Oklahoma State	

State	Self-supporting	FTE's	Overseer of Event	Amateur MMA	Amateur Boxing	# of Amateur Events	Amateur Event Defined	Amateur Participant Defined	Comments
								Athletic Commission	
Oregon	No	1	FTE + 4-6 inspectors paid by promoter	Yes	No, USA Boxing	45 + 12 Pro-Ams		Not ever paid a purse. Allow reasonable reimbursement for travel and lodging. Participants can't be licensed as a professional in other States.	
Pennsylvania	Yes	3	3 FTE's and 35 Inspectors	Yes - but must be pro/am (must have at least 2 pro	Limited oversight				

State	Self-supporting	FTE's	Overseer of Event	Amateur MMA	Amateur Boxing	# of Amateur Events	Amateur Event Defined	Amateur Participant Defined	Comments
				bouts)					
Puerto Rico									
Rhode Island									
South Carolina									
South Dakota									
Tennessee	No	1 + chairman and 7 commissioners paid per diem	Chairman + investigator and a commissioner	No	No				
Texas	Yes	5	1-3 state employees	Yes.	No	40	Have to go through process; must have modified pro rules and be non-profit	Never received purse and not licensed as a professional fighter anywhere	license.state.tx.us
Utah	No	1 + 5 inspectors	1 + 1-2 commissioners	Yes	No. USA Boxing does	4	Must use modified rules		Only 15 amateurs licensed (new) fees: \$25 participants; \$100 promoter

State	Self-supporting	FTE's	Overseer of Event	Amateur MMA	Amateur Boxing	# of Amateur Events	Amateur Event Defined	Amateur Participant Defined	Comments
Vermont	No	1	2 advisors + 1 Physician	No	No. USA Boxing does				fees: Promoter: \$500; others are \$25.
Virgin Islands									
Virginia									
Washington	No	3.5	2-3 FTE + 1 Inspector paid by promoter	Overseen by Approved Sanctioning Organizations	Overseen by Approved Sanctioning Organizations	Not sure	Must be non-profit. Only amateur participants.	Never received purse of more than \$50.	
West Virginia	No	1 + 5 commissioners appointed by Gov.	FTE and a commissioner, plus a deputy commissioner	No. Illegal both pro and am	Yes, in conjunction with USA Boxing	Not sure		Professional makes money; amateur no compensation except merchandise	<a href="http://www.wvboxing.org">www.wvboxing.org</a>
Wisconsin	No	2	FTE's	No - Unregulated	No - Unregulated				
Wyoming									

# Professional Athletics

## Survey of Commissions on Gate Taxes and Televised Events

09/09/09

State/Commission	Gate Taxes/Fee	Televised Tax/Fee	Self Supporting
Maine			Deregulated and MMA illegal
Arizona	4%		No
Connecticut	5 %, certain venues are subject to a 10% admissions tax which is payable to the Dept. of Revenue		No
Delaware*	No Commission		No
Georgia	5%		No
Idaho	5%		No
Illinois	10%	None	No

State/Commission	Gate Taxes/Fee	Televised Tax/Fee	Self Supporting
Indiana	5%	<p>IC 25-9-1-22.5 State tax on gross receipts from closed circuit, Pay-Per-View, or subscription telecasts</p> <p>Sec. 22.5. (a) Every person, club, corporation, firm, or association holding or showing any boxing or sparring matches on a closed circuit telecast, Pay-Per-View telecast, or subscription television viewed within Indiana, whether originating within Indiana or another state, shall furnish the Indiana professional licensing agency a written report, under oath, stating the amount of gross proceeds thereof, and such other matter as the commission may prescribe, and shall, within seventy-two (72) hours after the showing of the contest, pay a tax of five percent (5%) of its total gross receipts for the showing of the boxing or sparring match. Money derived from such state tax shall be placed in the state general fund.</p> <p>(b) This section does not apply to a showing occurring at a private residence.</p>	No
Kansas	5%		No

State/Commission	Gate Taxes/Fee	Televised Tax/Fee	Self Supporting
Michigan	None	There is imposed a regulatory and enforcement fee upon the promoter to assure the integrity of the sport, the public interest, and the welfare and safety of the professionals in the amount of 3% of the total gross receipts from the sale, lease, or other exploitation of broadcasting, television, and motion picture rights, but not to exceed \$25,000.00 per contract, for events to which the following apply:(a) The event is located in a venue with a seating capacity of over 5,000.(b) The promoter proposes to televise or broadcast the event over any medium for viewing by spectators not present in the venue.(c) The event is designed to promote professional contests in this state.	No
Minnesota	\$1500 or a percentage to be determined		No
Nevada	4%	Yes, 1. In addition to the payment of any other fees and money due under this chapter, every promoter, except as provided in subsection 2, shall pay a license fee of: (b) Three percent of the first \$1,000,000, and 1 percent of the next \$2,000,000, of the total gross receipts from the sale, lease or other exploitation of broadcasting, television and motion picture rights for that contest or exhibition, - without any deductions for commissions, brokerage fees, distribution fees, advertising, contestants' purses or any other expenses or charges.\$50,000 cap	No



State/Commission	Gate Taxes/Fee	Televised Tax/Fee	Self Supporting
North Dakota	1% boxing, 3% MMA	3%, "For purposes of this section, gross revenues means any and all revenues, from whatever source derived, received by any promoter, or other principal, on account of any particular contest or exhibition, including any revenues received from any advance ticket sales, gate receipts, promotional or advertising consideration, and from any cable television and pay-per-view telecasts of such contest or exhibition, exclusive of any federal tax thereon. All cable television and pay-per-view telecasts are subject to a fee of the gross revenue received from such cable television and pay-per-view telecasts multiplied by one percent or such other amount as may be allowed by law exclusive of any federal tax thereon."	No
Oregon	6%	No longer collects PPV tax, was ruled to be unconstitutional in tax court (was 6% w/no cap)	No
Tennessee			No
Utah	\$100 - \$600 based upon seating capacity, 3% broadcasting tax	"3% of total gross receipts from the sale, lease, or other exploitation of broadcasting, television, and motion picture rights for each contest or exhibition." This is in addition to our attendance fees.	No
Vermont	5%		No
Washington	5%	None	No
West Virginia	None		No
Arkansas	5%	None	Yes
Colorado	6%		Yes
Florida	5%	5% on PPV No cap	Yes
Hawaii	None	2% PPV tax, effective 7/1/09	Yes

State/Commission	Gate Taxes/Fee	Televised Tax/Fee	Self Supporting
Kentucky	5%	PPV taxes were removed in 2005 to encourage the larger promotions to hold more events here. Also, the PPV taxes were so hard to collect, often times that it was not worth the effort.	Yes
Louisiana	5%		Yes
Missouri	5%	5% on PPV in statute, however AG will not allow us to collect. He feels it is a violation of the 1st amendment - Freedom of Speech  5% tax is collection on cover charge gross amount for person viewing event in bar/establishment	Yes
Nebraska	5%	5% on PPV No cap Televised event - if the event is sold to any network such as the UFC Fight nights which are sold to Spike for a set fee, we collect tax on the contracted amount. This is referred to as "domestic sale of television rights". The same principle applies to the WWE when they hold a televised event and it's not a PPV event but is sold to a network. I guess the best way to sum this up is, if a televised event (boxing, wrestling or MMA) is sold that originates in Nebraska, the 5% tax applies, with no cap.	Yes
North Carolina	\$1.50 per ticket	None	Yes
Ohio	5%		Yes
Oklahoma	5%	4% on PPV no cap	Yes
Pennsylvania	5%	3% on PPV ** this amount is on the promoters share which is normally split 50/50 between the company and promoter, cable company normally deducts the tax prior to sending the promoter a check and forward tax to State	Yes

State/Commission	Gate Taxes/Fee	Televised Tax/Fee	Self Supporting
Texas	3% \$30,000 cap	3% of TV revenue with cap of \$30,000	Yes
Calgary	5%	None	
California	5% with a \$100K cap for gate	\$1,000 minimum up to 5% of a television contract with a maximum of \$25,000	
Choctaw Nation (MS)	None		
Citizen Potawatomi (OK)	None		
Edmonton	3%		
Iowa	5%		
Maryland	10%	None	
Mashantucket (CT)	None		
Massachusetts	4% plus additional 1% to boxer pension	2% of TV contract	
Miccosukee (FL)	None		
Mille Lacs Band of Ojibwe	None		
Mississippi	6%		
Mohegan Sun (CT)	None		
Montana	5%		
Montreal		Broadcast fee of \$500 for all video cameras at event. They assure the video will be used for commercial purposes.	
New Hampshire	5%		
New Jersey			
New Mexico	up to 4% live gate, 5% broadcasting		
New York	3% (capped at \$50,000)		
Onieda (NY)	None		
Ontario	2%		
Pascua Yaq. (AZ)	None		
Pueblo of San Juan (NM)	None		

State/Commission	Gate Taxes/Fee	Televised Tax/Fee	Self Supporting
Pueblo of Santa Ana	None		
Puerto Rico			
Quebec	3%	3% of whatever promoter gets, cap of \$75,000 Canadian	
River Cree Combative Sports Commission (Enoch Alberta)		\$500 flat fee for any event that has cameras whether it is being broadcast or has the potential to be broadcast.	
Rhode Island	5%		
Siletz Tribal (OR)	None		
South Carolina	5%		
Southern Ute (CO)	6% surplus fee		
Little River Band of Ottawa Indians, (MI)	None		
Virginia	5% of the first \$100,000 and 2 ½ % of all over the \$100,000		
Washington D C	5%		
Wisconsin	None	None	
Wyoming	None		
Yakama Nation (WA)	None		
Yellowknife (Canada)	3%		

## Self Supporting States

<b>Oklahoma</b>	Number of Event:	Wrestling - 190-195 MMA - 30-40 Boxing - 5	5 % taxes on the gates Pay-Per-View – 4 % of all incoming events (has not been challenged) 2 FTE 4-6 inspectors
<b>Florida</b>	Number of Events	Boxing - 54 MMA - 42	5% taxes on gates Pay-Per-View – 5% of broadcast fee – Capped at \$40,000 \$1,800 permit fee for the event 3 FTE 2 part time FTE \$25 for issuing a National ID Card \$100 service fee – for outside vendors at events \$250 – promoter license
<b>Pennsylvania</b>	Number of Events	Wrestling – 300 Boxing – 30-40 MMA – 40-50	5% of the gross receipts of every contest or exhibition 3% PPV of the promoters share (last 5 to 6 years) WWE – 7 or 8 times per year TNA – 2 to 3 times per year 5 FTE – Commission 38 part time inspectors \$25-\$100 permit fee based on seating
<b>Texas</b>	Number of Events	Boxing – 72 MMA – 30 Amateur MMA – 25 - 30	3 % tax of gross receipts from ticket sales 3 % PPV –Between \$6,000 - \$8,000 – Businesses only – No households PPV in state - \$30,000 Cap (state receives contract between promoter and TV provider.) 4 FTE 15 inspectors (contracted at \$10 an hour) just to help out not to oversee event.
<b>North Carolina</b>	Number of Events	Boxing – 7 MMA – 35 Tough man - 33	Charge \$2.00 per tickets - 2 FTE 18-20 Inspectors (contracted @ \$100 per event) Pro-AM – State will run MMA/Sanctioning organization does Amateur for boxing Promoter License - \$450 - Event Fee based on size of venue - \$150, \$300, \$400

<b>Ohio</b>	<p>Number of Events</p> <p>MMA Pro/Amateur – 148 UFC - \$170,000 Boxing – 22 Tough Man - 12</p> <p>Budget Information – Annual \$255,850 Revenue - \$424,000</p>	<p>5% tax on gate – 5% comps to promoter everything else is taxed \$50 permit fee \$100 promoter license \$20 National ID 2 FTE 5 person commission appointed by the governor– meet once a month – receives \$20.00 an hour - Appointed Executive Director runs day to day operations. They also perform all the suspension, investigations, and licensing of the fighters. 12 contracted inspectors - deputy Inspector receives \$250 and inspector receives \$150 Inspector conducts all licensing at the event Promoter registers each MMA card into ABC website \$50 per event to promoter They regulate all events in Ohio Working on regulating Pro Wrestling</p>
<b>Missouri</b>	<p>Number of Events</p> <p>MMA – 30/35 Boxing – 20 Wrestling – 65/70</p>	<p>5% tax on the gate WWE – 7 TNA - 1 \$180,000 – Allocated to professional athletics FTE 2 Inspectors – 18 – just to help oversee the event – paid \$150 Licensed for 2 years - \$20 (participant)/\$40 (Corner)/\$400 (Promoter) \$25 permit fee – MMA/Boxing \$150 permit fee for Wrestling Do not regulate Amateurs – currently working with legislation Do regulate Pro/Am – sanctioning organization conducts Amateur event</p>
<b>Nebraska</b>	<p>Number of Events</p> <p>MMA – 30 (Amateur and Pro) Boxing – 1 Amateur Boxing – 15-20 Wrestling – 10</p> <p>Budget Information – Revenue - \$281,000 (Taxes and Pay-Per-View)</p>	<p>5% tax on net gross – 12% total that includes city and state 5% on Pay-Per-View that originates in the state They regulate senior amateur boxing \$175 promoter fee for wrestling, boxing, MMA \$50 Club Amateurs 1 FTE -\$14.70-\$15.70 an hour (paid by Charitable gaming) Athletic Commission appointed by the governor and has an advisory group 7 Inspector to help oversee the event - \$65 plus per diem – license at the event They do regulate pro/am events Also funded by charity fund thru the lottery system</p>

CERTIFICATION OF ENROLLMENT  
**SENATE BILL 6126**

Chapter 429, Laws of 2009  
61st Legislature  
2009 Regular Session

BOXING, MARTIAL ARTS, WRESTLING--EVENT FEES

EFFECTIVE DATE: 07/26/09

Passed by the Senate April 26, 2009  
YEAS 34 NAYS 13

CERTIFICATE

BRAD OWEN

\_\_\_\_\_  
**President of the Senate**

Passed by the House April 25, 2009  
YEAS 50 NAYS 44

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 6126** as passed by the Senate and the House of Representatives on the dates hereon set forth.

FRANK CHOPP

\_\_\_\_\_  
**Speaker of the House of Representatives**

Approved May 8, 2009, 11:24 a.m.

CHRISTINE GREGOIRE

\_\_\_\_\_  
**Governor of the State of Washington**

THOMAS HOEMANN

\_\_\_\_\_  
**Secretary**

FILED  
May 11, 2009

**Secretary of State**  
**State of Washington**

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**SENATE BILL 6126**

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AS AMENDED BY THE HOUSE

Passed Legislature - 2009 Regular Session

State of Washington

61st Legislature

2009 Regular Session

**By** Senators Prentice and Tom

Read first time 03/23/09. Referred to Committee on Ways &amp; Means.

AN ACT Relating to boxing, martial arts, and wrestling events; and amending RCW 67.08.050, 67.08.055, 67.08.105, and 43.24.150.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

**Sec. 1** RCW 67.08.050 and 2000 c 151 s 1 are each amended to read as follows:

(1) Any promoter shall within seven days prior to the holding of any event file with the department a statement setting forth the name of each licensee who is a potential participant, his or her manager or managers, and such other information as the department may require. Participant changes regarding a wrestling event may be allowed after notice to the department, if the new participant holds a valid license under this chapter. The department may stop any wrestling event in which a participant is not licensed under this chapter.

(2) Upon the termination of any event the promoter shall file with the designated department representative a written report, duly verified as the department may require showing the number of tickets sold for the event, the price charged for the tickets and the gross proceeds thereof,



and such other and further information as the department may require. The promoter shall pay to the department at the time of filing the report under this section ~~((a tax equal to five percent of such gross receipts))~~ an event fee to be determined by the director pursuant to RCW 67.08.105. However, the ~~((tax))~~ event fee may not be less than twenty-five dollars. The ~~((five percent of such gross receipts shall be immediately))~~ event fee and license fees collected under this chapter shall be paid by the department into the ~~((state general fund))~~ business and professions account under RCW 43.24.150.

~~((3) A complimentary ticket may not have a face value of less than the least expensive ticket available for sale to the general public. The number of untaxed complimentary tickets shall be limited to ten percent of the total tickets sold per event location, not to exceed one thousand tickets. All complimentary tickets exceeding this exemption shall be subject to taxation.))~~

**Sec. 2** RCW 67.08.055 and 1993 c 278 s 16 are each amended to read as follows:

Every licensee who charges and receives an admission fee for exhibiting a simultaneous telecast of any live, current, or spontaneous boxing or sparring match, or wrestling exhibition or show on a closed circuit telecast viewed within this state shall, within seventy-two hours after such event, furnish to the department a verified written report on a form which is supplied by the department showing the number of tickets issued or sold, and the gross receipts therefor without any deductions whatsoever. Such licensee shall also, at the same time, pay to the department ~~((a tax equal to five percent of such gross receipts paid for admission to the showing of the contest, match or exhibition))~~ an event fee to be determined by the director pursuant to RCW 67.08.105. In no event, however, shall the ~~((tax))~~ event fee be less than twenty-five dollars. ~~((The tax shall apply uniformly at the same rate to all persons subject to the tax. Such receipts))~~ The event fee shall be immediately paid by the department into the ((general fund of the state)) business and professions account under RCW 43.24.150.

**Sec. 3** RCW 67.08.105 and 1999 c 282 s 1 are each amended to read as follows:

The department shall set license ~~((and)),~~ renewal, and event fees by rule ~~((, but the fees collected do not have to offset the cost of the program as required under RCW 43.24.086))~~ in amounts that, pursuant to the fee policy established in RCW 43.24.086, when combined with all license and fee revenue under this chapter, are sufficient to defray the costs of the department in administering this chapter.

**Sec. 4** RCW 43.24.150 and 2008 c 119 s 22 are each amended to read as follows:

(1) The business and professions account is created in the state treasury. All receipts from business or professional licenses, registrations, certifications, renewals, examinations, or civil penalties assessed and collected by the department from the following chapters must be deposited into the account:

- (a) Chapter 18.11 RCW, auctioneers;
- (b) Chapter 18.16 RCW, cosmetologists, barbers, and manicurists;

- (c) Chapter 18.96 RCW, landscape architects;
- (d) Chapter 18.145 RCW, court reporters;
- (e) Chapter 18.165 RCW, private investigators;
- (f) Chapter 18.170 RCW, security guards;
- (g) Chapter 18.185 RCW, bail bond agents;
- (h) Chapter 18.280 RCW, home inspectors;
- (i) Chapter 19.16 RCW, collection agencies;
- (j) Chapter 19.31 RCW, employment agencies;
- (k) Chapter 19.105 RCW, camping resorts;
- (l) Chapter 19.138 RCW, sellers of travel;
- (m) Chapter 42.44 RCW, notaries public; ~~((and))~~
- (n) Chapter 64.36 RCW, timeshares; and
- (o) Chapter 67.08 RCW, boxing, martial arts, and wrestling.

Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for expenses incurred in carrying out these business and professions licensing activities of the department. Any residue in the account shall be accumulated and shall not revert to the general fund at the end of the biennium.

(2) The director shall biennially prepare a budget request based on the anticipated costs of administering the business and professions licensing activities listed in subsection (1) of this section, which shall include the estimated income from these business and professions fees.

Passed by the Senate April 26, 2009.

Passed by the House April 25, 2009.

Approved by the Governor May 8, 2009.

Filed in Office of Secretary of State May 11, 2009.